

2012-13 Budget Review Session

Tempe City Council
Issue Review Session
April 26, 2012

Total Operating Budget (all funds)

- 2011-12 Operating Budget \$363.3 million
- 2012-13 Operating Budget \$470.9 million

- 2012-13 Major Changes:
 - Early Debt Retirement \$74 million
 - Budgeting Policy Change for Grants \$17.1 million
 - Operating Budget Reductions (\$2.8 million)
 - Vacancy Savings (\$1 million)
 - Furloughs Lifted \$5 million
 - Full Funding of OPEB Liability \$3.8 million
 - Creation of a GF Contingency \$1 million

2012-13 General Fund Highlights

- Budget adjustments consistent with long-range budget-balancing plan
- Lifting of furloughs to return salaries to 2008-09 levels
- Planned \$2.3 million drawdown of fund balance to end the year at 25%

Highlights of Enterprise Funds

- ◉ Water/Wastewater – continued phasing-in of rate increases to comply with water quality regulations
- ◉ Solid Waste – planned spend-down of fund balance while rate studies and efficiency studies are performed
- ◉ Golf – Revenues increasing with new contract model

Highlights of Special Revenue Funds

- Transit – Final year of 3-year balancing plan; approximately \$3 million adjustments required; \$54 million early debt pay-off
- Highway User Revenue (HURF) – Stabilized; Final annual transfer to Debt Service Fund
- Performing Arts – \$1.5 million fund balance draw-down; long-term plan being developed

Highlights of Other Funds

- Housing (CDBG/Section 8) – Balanced federal grants programs
- Debt Service Fund – Planned early retirement of debt to reach fund balance policy and maintain debt capacity
- Grants/Donations/Restricted Funds – \$17.1 million previously unbudgeted

Total Capital Budget

- 2011-12 Capital Budget \$49.3 million
- 2012-13 Capital Budget \$124.2 million
- 2012-13 Major Changes:
 - Re-appropriation of prior projects \$90.1 million
 - New appropriations \$34.1 million

Summary of CIP Projects

● Water/Wastewater	\$63 million
● Transit	\$20.2 million
● Rio Salado	\$5.6 million
● General Purpose	\$26.3 million
● Transportation	\$9.2 million

Overall Budget Direction/Questions